

EUROPEAN PARLIAMENT

Working Documents

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DOCUMENT 441/77

SUPPLEMENTARY REPORT

drawn up on behalf of the Committee on Budgets

on the draft general budget of the European Communities
for 1978 (Section III - Commission) modified by the
Council and on the adoption of the
budget (Doc. 420/77)

Rapporteur: Mr Michael SHAW

This supplementary report is submitted under the provisions of Article 5(5) and (7) of the Resolution adopted by the European Parliament on 15 October 1975 on the internal rules of procedure for consideration of the draft general budget of the European Communities for the 1976 financial year, and applicable to the 1978 budgetary procedure¹.

It was considered by the Committee on Budgets at its meeting of 6 December 1977 and adopted unanimously.

Present: Mr Lange, chairman; Mr Cointat, vice-chairman; Mr Shaw, rapporteur; Lord Bessborough, Lord Bruce of Donington, Mr Delmotte (deputizing for Mrs Dahlerup), Mr Notenboom, Mr Radoux, Mr Ripamonti, Mr Santer (deputizing for Mr L'Estrange), Mr Schreiber, Mr Spinelli, Mr Würtz and Mr Yeats.

¹Article 5(5) 'The Committee responsible shall deliver its opinion on the texts modified by the Council and on the draft amendments to the modified text.'

Article 5(7) 'The Council's summary of the result of its deliberations and of the proposed modifications adopted by Parliament shall be debated and a motion for a resolution may then be put to the vote.'

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The Committee on Budgets hereby submits to the European Parliament the following motion for a resolution together with the accompanying explanatory statement:

MOTION FOR A RESOLUTION

on the draft general budget of the European Communities for 1978
(Section III - Commission) modified by the Council and on
the adoption of the budget

The European Parliament,

- having regard to the draft general budget 1978 drawn up by the Council and the accompanying explanatory memorandum (Doc. 270/77) and the letter of Amendment to the draft budget forwarded by Council (Doc. 322/77);
 - having regard to the amendments and proposed modifications adopted by Parliament on 26 October 1977;
 - having been informed by its delegation of the outcome of the meetings with Council on 22 November 1977 and 7 December 1977;
 - having regard to the outcome of the Council's deliberations on 22 November 1977 (Doc. 420/77),
 - having regard to the **supplementary report of the Committee on Budgets** (Doc. 441/77);
 - having regard to Parliament's deliberations of 13 December 1977;
- (a) recognizing the special significance which attaches to the 1978 budget in view of
- (i) the setting up of the own resources system on 1 January 1978;
 - (ii) the implications for Parliament's role in regard to the implementing of the budget, resulting from the revision of the Financial Regulation;
 - (iii) the application of VAT as an own resource; and
 - (iv) the presentation of the budget in terms of EUA;
- (b) noting the special political nature of the debate within Parliament and also within the budgetary authority on the 1978 appropriations;

- (c) considering that the 1978 budget should constitute an appropriate budgetary policy instrument for the Communities in the year ahead;
- (d) accepting that the draft budget as amended following Parliament's recommendations shows a greater inclination on the part of the Council to follow the guidelines approved by Parliament in regard to the budgetary and financial policy of the European Communities for 1978;
- (e) believing that the triennial financial estimates accompanying the 1978 budget may be endorsed but considering that their presentation needs to be improved from future years;

The nature of the inter-institutional dialogue on the 1978 budget

- 1. Notes with approval the fact that the debate within Parliament on the 1978 budget was enhanced by the full involvement of the specialized Committees;
- 2. Considers that the discussions between both partners in the budgetary authority - Parliament and the Council - on the 1978 budget were highly political in nature which ensured a real and frank dialogue on the budgetary and economic considerations underlying the level of appropriations for the year ahead ;
- 3. Believes that it is particularly noteworthy that the dialogue reflected the evolution of budgetary and economic policy thinking during the second half of 1977 which enabled the Council to begin to appreciate the view of Parliament that a more expansionary policy was essential to the well-being of the Community as a whole;
- 4. Regards as encouraging the fact that the political discussions between Parliament and the Council ensured the adoption of a position in regard to non-agricultural expenditure that reflects some awareness of the needs of Europe .

The new budgetary structures

- 5. Approves the application of VAT as an own resource of the Community with effect from 1 January 1978;
- 6. Welcomes the use of the EUA as the unit in which the budget is expressed;
- 7. Considers that the use of the conciliation procedure for resolving the differences of opinion between Parliament and the Council on the financial regulation has vindicated this new procedure as a valuable forum for settling such differences;

8. Recognizes that the new procedure for dealing with transfers will add appreciably to Parliament's responsibility in regard to budgetary control, and will avoid the risk of Parliament's power being eroded by the diversion of funds previously voted by it for specific purposes;
9. Appreciates that the efficient handling of requests for transfers will necessitate the evolution of an expeditious method for processing such requests;
10. Notes with approval that, henceforth, nomenclature and commitments entries may be decided in the course of the budgetary procedure;
11. Stresses that the questions of full budgetizing of borrowing and lending operations, the presenting of the research part of the budget and the implementing of the budget need to be examined jointly by Parliament and the Council in a conciliation to take place as early as maybe in 1978;

Budget presentation

12. Considers that the revised presentation of the budget, which gives a new emphasis to commitments, should not have the effect of diminishing transparency;
13. Is of the view that this new emphasis, which is related to the margin for manoeuvre of the budtary authority, should be shown in an annex to the explanatory part so as not to reduce the significance of the payments included in the budget and decided annually;
14. Notes the tables showing the breakdown of the budget into the main sectors of activity and considers that these made possible a more informed examination of the policy content of the budget and the balance between the different categories of expenditure;
15. Calls on its Committee on Budgets to examine the existing decimal breakdown of the budget with a view to establishing whether a clearer and more cransparent presentation, which would facilitate the making of political judgments, is possible;

Triennial financial estimates

16. Decides to endorse these estimates for the years 1978 - 1980 subject to the reservations already expressed at paragraphs 21 to 24 of its resolution of 26 October 1977.

Adoption of the 1978 budget

Proposed Modifications

17. Deplores that the Council accepted only one of the proposed modifications adopted by Parliament, particularly as the areas most affected by this negative attitude are the supply of food aid to the developing countries most in need and agricultural prices;

Amendments

18. Notes with satisfaction the acceptance without modification by the Council of amendments by Parliament totalling 155,354,000 EUA in payments and 28,559,000 EUA in commitments;
19. Also notes with satisfaction the acceptance in modified form by the Council of further amendments by Parliament totalling 754,700 EUA in payments and 43,089,000 EUA in commitments;
20. Approves the Council's positive and understanding reaction to the Social Fund amendments;
21. Believes, nevertheless, that the establishing of an appropriate budget for 1978 requires that it maintains further amendments notably in the areas of energy policy, regional policy, industrial policy, food aid, aid to developing countries and the Commission's establishment plan;
22. Recalls that, under the terms of the Treaties, when the procedure is completed, its President shall declare that the budget of the European Communities is finally adopted and confirms that the establishment plans attached thereto and the estimates are adopted also and that the resultant VAT rate is fixed accordingly;
23. Considers that the fixing of the sums for the Regional Fund by the European Council represents a challenge to the rights of Parliament over an area of expenditure which has at last been recognized by all the institutions as non-compulsory and over which the Parliament has the last word.

B.

EXPLANATORY STATEMENT

Introduction

1. The preparation of the 1978 budget in the specialised Committees of the European Parliament has been particularly thorough and painstaking. This close involvement began when Parliament examined the Commission's overall assessment of the Community's budgetary problems for 1978⁽¹⁾. For the first time, this document was transmitted formally to Parliament for its political views on the guidelines set out in it.

2. The Committee on Budgets went into the budgetary policy aspects thoroughly and formulated a set of clear political guidelines⁽²⁾ that were endorsed by Parliament in plenary session in May. At the sessions in July, September and October, the desirable budgetary strategy for 1978 was further debated by Parliament.

The preliminary draft budget

3. Another first in budgetary procedure was reflected in the presentation on 27 May of the preliminary draft budget⁽³⁾ by Mr TUGENDHAT, the Commissioner responsible for the budget, to Parliament, as represented by the Committee on Budgets, before general release. This preliminary draft budget proposed a total for expenditure of 11,850,370,803 EUA.

Political guidelines taken into account

4. The Committee on Budgets was satisfied that the Commission had endeavoured to take into account, to a substantial degree, the guidelines put forward by Parliament. The figures were set out in EUA and VAT was shown as an own resource. There were new proposals in regard to energy and industry. Larger sums were proposed for food aid and for the financial protocols with the Mediterranean countries. For the Social Fund, too, there were substantial proposed increases.

⁽¹⁾ COM(77) 20 final.

⁽²⁾ Doc. 83/77

⁽³⁾ COM(77) 160

Less positive aspects

5. However, being prepared before the mid-point of 1977, the preliminary draft budget was influenced - perhaps to too great an extent - by the climate of austerity in regard to public expenditure that prevailed until relatively recently. Also, agricultural expenditure, $69\frac{2}{3}\%$ of the total, continued to dominate the budget. Moreover, perhaps partly because of the factors mentioned in the two preceding sentences, there was rather less by way of new proposals in the preliminary draft budget than might have been expected from the new Commission. Nevertheless, the Committee on Budgets felt that, on balance, the preliminary draft budget was a text on which an appropriate budgetary strategy to face up to Community needs in 1978 could be built.

The draft budget

6. The draft budget⁽¹⁾ adopted by Council was for 11,318,716,450 EUA, a cutback of 537,654,353 EUA on the Commission's proposals. This pruning was considered by Parliament to be extremely severe. It ran counter to the political guidelines furnished by Parliament; it foreshadowed avoidable supplementary budgets; it made certain policy aspects virtually meaningless by depriving the Community of the minimal level of appropriations needed for their implementation; it gave too great a priority to agricultural outlay; a particularly negative attitude was shown to policies in the areas of research, energy, transport, industry, the regions, the social sphere and Commission staff. A measure of the change in the figures wrought by the Council is that agriculture accounted for $75\frac{1}{4}\%$ of the draft budget as against $69\frac{2}{3}\%$ of the preliminary draft.

The letter of amendment

7. The Council adopted a letter of amendment⁽²⁾ which added 639,800,000 EUA to the draft budget bringing the total to 11,958,516,450 EUA. The main impact of this change was to further increase the share of the budget devoted to agriculture to just over $76\frac{1}{2}\%$ of total proposed expenditure.

⁽¹⁾ Doc. 270/77

⁽²⁾ Doc. 322/77

Other factors in the budget debate

8. Before going into the details of Parliament's examination of the draft budget, it would be useful to look at some of the major parallel issues that figured in the budget debate. These were:

- the expressing of the budget in terms of EUA;
- the use of VAT as an own resource;
- the solution of the difficulties relating to commitments inscription and presentation;
- the amending of the financial regulation; and
- a more political presentation of the triennial financial estimates.

9. It now appears that the prospects are good for having the EUA adopted in time for 1978 and also for having the VAT based own resources.

Commitment appropriations¹

10. As regards commitments, a solution was found which satisfies both Parliament and the Council. It is accepted that the need for a distinction between payments for annual expenditure and commitments entries in relation to multi-annual projects flows from the Treaty. This distinction should be maintained throughout the budgetary procedure. Further, it has been accepted that the increase in non-compulsory commitments from one financial year to the next is subject to a maximum rate parallel to - but independent of - the maximum rate which applies to payments under Article 203 of the EEC Treaty.

11. Also, the amendments to the financial regulation will ensure that the commitment appropriations are to be determined within the budgetary procedure. These reforms have the effect of simplifying procedures and securing safeguards for Parliament's rôle in relation to the budget.

12. New commitment lines may be opened, in future, by way of the budgetary procedure without recourse to amendments to the financial regulation. As well, Parliament's margin in regard to payments is now clearly independent of developments in the sphere of commitments; separately, Parliament has a margin for variation in commitment entries.

¹The search for a solution within Parliament is summarised in Doc. 97/76 part V, and Doc. 469/76 paras 7 and 8

The financial regulation

13. The Committee on Budgets - and Parliament in plenary session - devoted a lot of time over the past year and a half to the review of the provisions of the financial regulation⁽¹⁾. The amendments put forward by Parliament are set out in the reports adopted in December 1976⁽²⁾ and July 1977⁽³⁾. As well, a summary explanation of the overall position was set out in the report⁽⁴⁾ on the draft budget 1978.

14. Recourse was had to the conciliation procedure⁽⁵⁾ to resolve the points of difference between Parliament and the Council. Meetings were held on 7 November and 22 November 1977. During the course of these meetings - and at subsequent meetings between the rapporteur and representatives of the Council - a package of amendments was agreed. This agreement reflected favourably on the political maturity of the Council and Parliament, makes it possible to use the conciliation procedure as a worthwhile instrument for resolving budget-related differences between the two institutions, and made the budgetary procedure clearer. A full account of the conciliation meetings is set out in a separate report⁽⁶⁾. However, the following is a summary of the key breakthroughs:

- modifying the budgetary nomenclature may take place within the budgetary procedure;
- commitment appropriations are to be determined within the budgetary procedure;
- Parliament has the last word in regard to transfers involving non-compulsory expenditure;
- Parliament's amendments in relation to the provision of budgetary information have been accepted;
- carry forwards are to be allowed, on the budgetary line, for one year;
- generally, the financial regulation has been adapted to take account of the provisions of the Treaty of 22 July 1975; and
- the budgetary authority is to have fuller information, in advance, on transfers within the EAGGF part of the budget.

(1) O.J. Vol. 16 L 116, May 1973

(2) Doc. 469/76

(3) Doc. 168/77

(4) Doc. 341/77, paragraphs 9-18

(5) O.J. C 89/1 of 22 April 1975

(6) PE 51.164

Triennial financial estimates

15. Considerable importance attaches to the triennial financial estimates furnished each year in connection with the budget, in accordance with a decision⁽¹⁾ of the Council of 21 April 1970. These estimates are most valuable to the budgetary authority because they

- (i) serve as a link between the annual budget and the longer term implications,
- (ii) enable a better informed view to be taken of the impact of budget decisions,
- (iii) give a greater sense of coherence and continuity to the efforts of the Community in the budgetary sphere, and
- (iv) make it possible to check, well in advance, on the movement towards the receipts ceiling.

16. The financial estimates for the years 1978-1980⁽²⁾, presented in current prices and expressed in EUA, were technically satisfactory. They represented a considerable statistical and executive effort on the part of the Commission of the European Communities. However, in accordance with the Commission's interpretation of the basic decision, the figures were based on the results of regulations and decisions in force and on proposals submitted by the Commission to the Council.

17. In the October report on the draft budget 1978, the Committee on Budgets examined these estimates⁽³⁾ in some detail. Apart from the lack of forward policy projections, the Committee noted the fact that the Council did not revise the triennial financial estimates in the context of the draft budget whereas it cut back sharply the non-agricultural part of the budget.

18. Parliament holds that the triennial financial estimates are particularly necessary since account must be taken of the future impact of commitments. It also asks that the Council revise these estimates, in future, where it alters the preliminary draft budget in a significant way, so that the medium-term impact of such alterations may be fully appreciated in their policy context. Furthermore, Parliament insists that the basic decision be amended so as to incorporate these estimates more fully in the budget debate.

(1) O.J. No. L 94, page 23, 28 April 1970

(2) Annex to Vol. 7 of the preliminary draft budget, 1978

(3) Doc. 341/77, paragraphs 142-158

19. The Committee on Budgets has now reconsidered the triennial financial estimates. Taking note of the fact that most of Parliament's amendments to the draft budget are accepted by Council, the Committee considers that the estimates 1978-1980 may be endorsed; however, it maintains the views set out in the preceding paragraph, in so far as the estimates to be presented in future years are concerned.

The nature of the debate on the 1978 draft budget

20. Parliament as a whole was more fully involved in the preparation of the 1978 budget than was the case in any previous year. This was due to the fact that the spending Committees arranged their work in such a way as to ensure that they were able to devote sufficient time to the consideration of the preliminary draft budget proposals, to the examination of the implications of the cutbacks effected by the Council, and to the preparation of draft amendments.

21. The result of this careful scrutiny was reflected in the highly political quality of the debate in plenary session, in the record number of draft amendments put forward and in the comprehensive nature of the resolution⁽¹⁾ adopted by Parliament on 26 October. These draft amendments did not seek merely to restore the initial Commission proposals; they aimed at ensuring that the 1978 budget would be a genuine policy instrument and that it would provide adequate amounts to enable key Community policies to be implemented in the year ahead.

Evolution of economic climate

22. As was pointed out by the rapporteur during the budget debate, the preliminary draft budget and the draft budget were both prepared when there was a climate of economic stringency in the Community. This background influenced both the Commission and the members of the Council. It could be said that the need for a restrictive budgetary policy was over-stressed and that the Council gave priority to stringency at the expense of economic coherence. Over recent months, however, there has been a significant evolution in the economic climate and national authorities now follow a more expansionary fiscal policy with a view to encouraging investment and economic growth so as to ward off stagnation and to foster increased employment.

⁽¹⁾ PE 51.073, (Minutes of the proceedings of the sitting), pages 39-46

23. It was apparent in the October budget debate that this more positive approach had a wide following in Parliament. From his response to the debate, it was obvious that the President in Office of Council was prepared to accept the view that a policy of "economy at all costs" would be harmful to the long-term interests of the Community.

Key policy areas

24. Amendments to the receipts side of the draft budget and to many general items throughout the document were adopted. However, Parliament concentrated its effort on certain key policy areas:

the social sphere;
the regional policy sphere;
energy;
industrial policy;
Commission staff needs.

Unemployment problems

25. As regards social problems, the issues were set out in some detail in the report on the draft budget 1978⁽¹⁾. However, the following tables help to set the serious situation more clearly in perspective.

INCIDENCE OF MALE/FEMALE UNEMPLOYMENT IN EEC MEMBER COUNTRIES

<u>Unemployment (1000) Annual Average (unless otherwise stated)</u>						
<u>Male/Female</u>						
	1973	1974	1975	1976	Sept. 1976	Sept. 1977
Germany	273.5	601.7	1074.2	1060.3	898.7	911.2
France	393.9	497.8	839.7	933.5	955.4	1177.0
Italy	1004.8	997.2	1106.9	1182.6	1205.0	1556.1
The Netherlands	117.0	143.2	195.3	210.8	206.9	205.3
Belgium	106.2	118.7	207.8	266.6	291.3	337.5
Lux.	-	0.1	0.3	0.5	0.4	0.9
U.K.	630.3	631.0	977.6	1360.0	1455.7	1609.1
Ireland	66.6	72.0	98.7	110.5	106.8	103.6
Denmark	20.1	44.8	113.5	118.2	111.8	140.5

Source: S.O.E.C.
DG V

⁽¹⁾ Doc. 341/77, pages 77-80

INCIDENCE OF YOUTH UNEMPLOYMENT IN EEC MEMBER COUNTRIES

(for countries where figures are readily available)

	1974	1976	1977		1974	1976	1977
Under 25's as a percentage of all unemployment				Under 25 females as a percentage of all unemployed females			
Germany (May)	23.1	25.6	26.6		26.4	28.7	29.7
France (May)	31.6	37.0	38.3		38.9	45.5	46.4
The Netherlands (May)	30.8	36.3	37.0		45.3	53.4	54.7
Gt. Britain (July)	30.4	43.9	45.6		54.4	65.4	65.2
Denmark (July)	22.4	24.9	25.2		30.0	32.6	32.5
Belgium (May)	22.8	34.7	33.9		31.8	39.8	38.6

Source: S.O.E.C.
DG V

Regional policy, energy and industrial policy

26. The need for an effective policy in each of these areas was spelled out fully by many speakers during the first reading debate - and indeed on many earlier occasions in plenary. Therefore, it is very disappointing to find that the Council has not made its decision earlier in regard to the Regional Fund and that the efforts at the Community level in regard to the energy policy and industrial policy are less than praiseworthy.

Commission staff

27. At paragraphs 159 to 166 of the report on the draft budget 1978, the staff situation within the Commission was discussed and Parliament adopted amendments nos. 246 rev., 247 rev. and 248 rev. which had the effect of adding 46 B and 46 C posts to the Commission's establishment plan. Regrettably, these amendments were not accepted by the Council. To set the situation in perspective, it should be borne in mind that the Commission's full staff for all its work - including the voluminous translation work - is slightly over 8,000. On the other hand, the number of staff employed in the public service of Member States is far greater: for the Department of Agriculture alone, the number in France is 27,500 and in Italy about 15,000.

Council position on the amendments

28. On 22 November, the delegation from Parliament presented the arguments supporting its stance on the 1978 budget to Council¹. Following the discussions, Council examined the amendments and adopted the following payments increases:

<u>Heading</u>	<u>No.</u>	<u>Payments</u>
Staff	315/rev.	+ 9,000
Article 266	301	+ 160,000
" 272	271	+ 4,000,000
" 282	2	+ 3,050,000
" 283	272	+ 500,000
Chapter 29	130/rev.	+ 200,000
Article 302	122	+ 90,000
" 303	123	- 200,000
"	125	- 230,000
" 305	127	+ 50,000
"	128	+ 150,000
" 306	129/rev.	+ 640,000
" 307	142	+ 500,000
" 320	89/rev.	+ 7,000,000
" 352	83	+ 325,000
" 353	84	+ 60,000
" 354	85/corr.	+ 50,000
" 355	86/corr.	+ 70,000
"	87/rev./corr.	+ 100,000
Item 3621	119/rev. III	+ 200,000
Item 3701	3/rev.	+ 1,700,000
Article 392	131/corr.	+ 500,000
" 393	80/corr.	+ 80,000
" 500	132	+ 13,000,000
" 501	133	+ 36,000,000
" 502	134	+ 3,000,000
" 503	135	+ 5,000,000
" 510	137/corr.	+ 68,500,000
" 511	138/corr.	+ 10,500,000
" 520	139	+ 300,000
" 941	22/corr.	+ 50,000
TOTAL:		155,354,000

A fuller presentation is shown in Appendix 5.

¹Appendices 1-4 and 6 give a breakdown of the amendments and modifications endorsed by Parliament on 26 October 1977.

29. The following amendments were modified:

<u>Heading</u>	<u>No.</u>	<u>Payments</u>
Article 130	330	+ 770,000
Item 3201	91/rev.	+ 5,000,000
Article 324	98/rev.	+ 1,000,000
" 337	311	+ 475,700
" 930	15/rev./corr.	- 6,000,000
" 931	21/rev./corr.	-
" 945	326	- 500,000
NET TOTAL ¹		+ 745,700

30. The remaining amendments involving increases in amounts were rejected. Appendix 5 shows the presentational amendments that were accepted by Council.

Regional Fund

31. A special situation obtains in so far as the Regional Fund is concerned, as is evident from the following Council statement of 22 November:

"The Council has decided the rejection of the amendment of the European Parliament to the credits proposed for the Regional Fund for technical reasons of budgetary procedure. It looks forward to discussing this problem in a concertation procedure with the Parliament on 9 December, with a view to reaching an agreement with the Parliament on a figure which represents a substantial real increase in the activity of the Fund."

Summary of amendments

32. Parliament sought to add some 393 million EUA to the 1978 draft budget by way of amendments. The Regional Fund amendment of 135 million EUA, though to be reinstated, is in a "suspended" state, at the moment; Council accepted a new amount of just over 156 million EUA; an amendment for 30 million EUA (No. 298) has been overtaken by developments. Therefore, the gap separating the Council and Parliament is of the order of 72 million EUA.

Modifications

33. The less satisfactory position with regard to modifications is shown in Appendix 6. Of the modifications supported by Parliament, only one was accepted by the Council. In view of the care with which Parliament selected the modifications, it is to be regretted that a more positive attitude was not shown by Council to them.

¹Total of paragraphs 28 and 29: 156,099,700 EUA payments

Commitments

34. The position regarding commitments is as follows:

Commitments accepted

Title 1	779,000
Title 2	7,910,000
Title 3	41,205,000
Title 9	21,754,000
	<hr/>
	71,648,000

35. Parliament had approved a total of some 630 million EUA in pure commitments. As on the payments side, the largest single refusal came in the Regional Fund side where an amendment for 352,000,000 EUA was rejected.

Attitude toward the Council's position on the amendments

36. The action of the Council in accepting many of Parliament's amendments is positive and shows that the other partner in the budgetary procedure has accepted the broad thrust of the arguments advanced in the October debate. However, to establish a budget for 1978 which would more nearly meet the requirements of the Community, the following amendments need to be added.

Appendices 1 to 7

B U D G E T 1 9 7 8COMMISSION

(in EUA)

	Draft Budget plus Amending Letter	Amendments and Modifications ⁽¹⁾	T O T A L
Compulsory Expenditure	10,037,970,700	209,890,000	10,247,860,700
Non-Compulsory Expenditure	1.720,786.003	393,243,600	2,114,029,603
T o t a l	11,758,756,703	603,133,600	12,361,890,303

(1) Adopted by Parliament on 26 October 1977.

APPENDIX 2

Breakdown of Appendix 1

SUMMARY OF THE EVOLUTION OF APPROPRIATIONS IN EUA

Nomenclature	1977	Preliminary Draft Budget 1978	Draft Budget plus Amending Letter	Draft Budget adopted by Parliament on 26 October 1977	
				Amendments and Modifications	New Total
TITLE 1 Expenditure relating to persons working with the Institutions	343,939,900	401,731,300	382,797,300	3,254,200	386,051,500
TITLE 2 Buildings, equipment and miscellaneous admini- strative expenditure	141,326,100	166,616,900	154,315,300	8,970,000	163,285,300
TITLE 3 Energy, research, environment, etc.	239,146,177	405.878,117	243,906,603	91,439,400	335,346,003
TITLE 4 Repayments and aid to Member States and misc.	612,766,326	649,260,000	689,600,000	1,589,300,000	2,278,900,000
TITLE 5 Social and Regional Funds	464,240,000	1,141,300,000	552,500,000	507,300,000	1,059,800,000
TITLE 6 European Agricultural and 7 Guidance and Guarantee Fund, Guarantee Section	6,923,800,000	7,795,100,000	8,717,700,000	-1,728,600,000	6,989,100,000
TITLE 8 EAGGF - Guidance	157,800,000	451.710,000	423,500,000	9,000,000	432,500,000
TITLE 9 Cooperation with devel- oping countries and non-Member States	513.371,000	633,045,700	302.142,000	379,740,000	681,882,000
TITLE 10 Other Expenditure	3,985.000	5,000,000	292,295,500	-257,270,000	35,025,500
TOTAL COMMISSION	9.400,374,503	11,649,642,017	11,758,756,703	603,133,600	12,361,890,303

APPENDIX 3

NON-COMPULSORY EXPENDITURE

Nomenclature	1977	Preliminary Draft Budget	Draft Budget & Amending Letter	Draft Budget adopted by Parliament on 26 October 1977		
				Amendments	Compensated Amendments	New Total
TITLE 1 Expenditure relating to persons working with the Institutions	311,766,100	364,709,100	327,071,700	3,254,200		330,325,900
TITLE 2 Buildings, Equipment & miscell. administra- tive expenditure	140,864,000	165,903,800	153,602,200	8,970,000		162,572,200
TITLE 3 Energy, research, environment, etc.	239,051,177	405,828,117	243,856,603	70,169,400	+ 21,270,000	335,296,003
TITLE 4 Repayments and aid to Member States and misc.					+1,589,300,000	(1,589,300,000) ⁽³⁾
TITLE 5 Social and Regional Funds	464,240,000	1,141,300,000	552,500,000	276,300,000	+ 231,000,000	1,059,800,000
TITLE 6 European Agricultural & 7 Guidance & Guarantee Fund, Guarantee Section						
Chapter 75					- 30,000,000	(- 30,000,000) ⁽³⁾
Chapter 78					- 959,300,000	(- 959,300,000) ⁽³⁾
Chapter 79					- 600,000,000	(- 600,000,000) ⁽³⁾
TITLE 8 EAGGF - Guidance						
TITLE 9 Cooperation with develop- ing countries and non- Member States	78,228,000 ⁽¹⁾	56,992,700	151,460,000 ⁽²⁾	34,550,000	+ 1,200,000	187,210,000
TITLE 10 Other Expenditure	3,985,000	5,000,000	292,295,500		- 253,470,000	38,825,500
TOTAL COMMISSION	1,238,134,277	2,139,733,717	1,720,786,003	393,243,600		2,114,029,603

(1) Including an amount of 15,895,000 EUA for Emergency Aid to Portugal (Chapter 96)

(2) Including an amount of 97,500,000 EUA for cooperation with third countries

(3) To be deducted from compulsory expenditure written into corresponding Chapters

COMPULSORY EXPENDITURE

	Nomenclature	1977	Draft Budget & Amending Letter	Modifications	Compensated Modifications	New Total
TITLE 1	Expenditure relating to persons working with the Institutions	32,173,800	55,725,600			55,725,600
TITLE 2	Buildings, equipment & miscellaneous administrative expenditure	452,100	713,100			713,100
TITLE 3	Energy, research, environment, etc.	95,000	50,000			50,000
TITLE 4	Repayments and aid to Member States and misc.	612,766,326	689,600,000		(+1,589,300,000)	689,600,000
TITLE 5	Social & Regional Funds	-	-			-
TITLE 6 & 7	European Agricultural Guidance & Guarantee Fund, Guarantee Section	6,923,800,000	8,717,700,000		(-1,589,300,000)	8,717,700,000 (7,128,400,000)
TITLE 8	EAGGF - Guidance	157,800,000	423,500,000	+ 4,000,000		427,500,000
TITLE 9	Cooperation with developing countries and Non-Member States	435,143,000	150,682,000	+ 205,890,000		356,572,000
TITLE 10	Other Expenditure					
TOTAL COMMISSION		8,162,240,226	10,037,970,700	209,890,000		10,247,860,700 (8,658,560,700)

In brackets : totals taking account of transfer of agrimonetary expenditure from Titles 6 and 7 to Title 4

SUMMARY TABLE FOR THE SECOND READING OF THE COMMUNITY BUDGET

Revenue

Budgetary Line	<u>Parliament's Amendments</u>		<u>Council's Position</u>		
	No.	Effect	Accepts	Rejects	Modifies
Levies, premiums, etc. (Art. 100)	265	Delete Items			X
Levies, premiums, etc. (Art. 100)	264	+ 30 MEUA		X	
Levies & Other Duties (Art. 110)	239	Delete Items			X
Customs duties & other duties (Art. 120)	269	Delete Items			X
V.A.T. (Art. 130)	270	Delete Items Add to remarks	X		
Euratom borrowings (Art. 941)	241	Change remarks		X	
Community borrowings (Art. 942)	240	Change remarks		X	
Borrowing & Lending (Ch. 94)	242	Create new Article 943 Insert Token Entry Add to remarks		X	
Borrowing & Lending (Ch. 94)	243	Add new Article 944 Insert Token Entry Add to remarks	X		
Miscellaneous Revenue (Ch. 95)	244	Amend Art. 950 heading to read "Rev. from investment & loans, bank int. & other items - bank int."	X		
Other miscellaneous revenue (Ch. 99)	245	Amend Art. 990 heading to read "Repayments of duties & charges on re-search operations by the French & Italian Governments". Delete token entry; Add to remarks	X		

SUMMARY TABLE FOR THE SECOND READING OF THE COMMUNITY BUDGET

Expenditure

Budgetary Line	No.	<u>Parliament's Amendments</u>		<u>Council's Position</u>		
		Payment	Commitment	Accepts	Rejects	Modifies
		<u>EUA</u>	<u>EUA</u>			
<u>TITLE 1</u>						
Expend. relating to persons working with the Institution	315/ rev	+ 9,000		X		
do.	246/ rev	- 537,300			X	
do.	247/ rev	+ 2,205,600			X	
do.	248/ rev	+ 108,900			X	
Mission exps. etc. (Art.130)	330	+ 1,122,000				X
do.	331	Enter approp. 346,000 Add to rems.			X	
<u>TITLE 2</u>						
Committees (Art. 251)	249	Remarks change		X		
Reg. studies at request of Member States (Art.266)	301	+ 160,000 Approps. blocked				X
Expend. on dissem. inform. (Ar.272)	271	+ 4,000,000 Apps. blocked in part				X
Inst. Econ. Analysis & Research (Art. 282)	2	+ 3,050,000				X
Subs. Eur. Foundation (Ar.283)	272	+ 500,000 Apps. blocked				X
Eur. University Instit. (Ar.288)	273	+ 1 MEUA Approps. blocked				X

SUMMARY TABLE FOR THE SECOND READING OF THE COMMUNITY BUDGET

Expenditure

Budgetary Line	No.	<u>Parliament's Amendments</u>		<u>Council's Position</u>		
		Payment	Commitment	Accepts	Rejects	Modifies
		<u>EUA</u>				
<u>Title 2</u>						
Rent - (Art.210)	325	Approps. blocked			X	
Subsidies NGO: human rights (Ch.29)	130/ rev	+ 200,000 New Art. 293 Add. to remarks		X		
Subsidies NGO: science & tech- nology (Ch.29)	275	+ 60,000 New Art. 293 Add. to remarks			X	
<u>Title 3</u>						
Expend. on spec- ific projects undertaken by the Institution	276	New heading for Title 3: "Commun. policies in regard particularly to research, technology industry, social sector, environment & supply of energy & raw materials"		X		
Tasks entrusted to Commission in field of vocation- al training (Art. 301)	277	Additional remarks Approps. blocked			X	
Exchange of young workers (Art.302)	122	+ 90,000 Remarks: delete "approp. of 30,000 entered in Ch.100"		X		

SUMMARY TABLE FOR THE SECOND READING OF THE COMMUNITY BUDGET

<u>Expenditure</u>		<u>Parliament's Amendments</u>		<u>Council's Position</u>		
<u>Budgetary Line</u>	<u>No.</u>	<u>Payment</u>	<u>Commitment</u>	<u>Accepts</u>	<u>Rejects</u>	<u>Modifies</u>
		<u>EUA</u>	<u>EUA</u>			
<u>Title 3</u>						
Commun. measures to improve workers' living conditions (Art.303)	123	- 200,000 Add. to remarks	+ 560,000	X		
do.	125	- 230,000 Add. to remarks	+ 560,000	X		
Employment policy (Art.305)	127	+ 50,000		X		
Employment policy (Art.305)	128	+ 150,000		X		
do.	28/ rev	Token entry Add. to remarks		X		
Pilot research projects - action to combat poverty (Art. 306)	129/ rev	+ 640,000 Add. to remarks	+ 5 MEUA	X		
European Trade Union Institute (Art.307)	142	+ 500,000 Add. to remarks				X
Vocational training farmers (Art.316)	149/ rev	+ 81,100			X	
Hydrocarbons sector projects (Art. 320)	89/ rev	+ 7 MEUA Add. to remarks	+ 10 MEUA	X		

SUMMARY TABLE FOR THE SECOND READING OF THE COMMUNITY BUDGET

<u>Expenditure</u>		<u>Parliament's Amendments</u>		<u>Council's Position</u>		
<u>Budgetary Line</u>	<u>No.</u>	<u>Payment</u>	<u>Commitment</u>	<u>Accepts</u>	<u>Rejects</u>	<u>Modifies</u>
<u>TITLE 3</u>		<u>EUA</u>	<u>EUA</u>			
Projects hydro-carbon sector (Item 3201)	91/ rev	Enter 9 MEUA Add. remarks	+ 25 MEUA			X
Prospecting uranium deposits (Ar. 321)	93/ rev	+ 4,400,000 Add. remarks	+ 11,500,000		X	
Aids for coal stocks (Ar.322)	95/ rev2	Make token entry Add. remarks			X	
Energy Policy Expend. (Ch.32)	96/ rev.	Enter approp. 8 MEUA Insert new Art. 323 Add. remarks	+ 25 MEUA		X	
Demonstration projs aids Comm Energy Programme (Ar. 324)	98/ rev	Enter approp. 5 MEUA Add. remarks	+ 10 MEUA			X
Coal gasification	100/ rev.	Enter approp. 3 MEUA; New Item 3241; Add to remarks	+ 8 MEUA			X
Geothermal resources	102/ rev.	Enter approp. 2 MEUA; New Item 3242; Add to remarks	+ 7 MEUA			X
Storage of nuclear fuel	104	Insert new Art. 325; Rein.Token Entry.Add to remarks			X	
Item 3291	266	Amend hdg to read: "Euratom loans" Add. to remarks			X	

SUMMARY TABLE FOR THE SECOND READING OF THE COMMUNITY BUDGET

<u>Expenditure</u>		<u>Parliament's Amendments</u>		<u>Council's Position</u>		
<u>Budgetary Line</u>	<u>No.</u>	<u>Payment</u>	<u>Commitment</u>	<u>Accepts</u>	<u>Rejects</u>	<u>Modifies</u>
<u>TITLE 3</u>		<u>EUA</u>	<u>EUA</u>			
Legislative part of the budget	302	New text after Ch. 33				X
Joint Research Centre other activities (Ar. 333) - Physical protection	308	No net increase Change in remarks	- 1,050,000		X	
Fusion & Plasma-physics (including JET) (Item 3351)	316	Change remarks	- 5,000,000		X	
Item 3352 - radiation protection.	1/rev	Amend remarks			X	
Item 3358 - Irradiated fuel re-processing	81	New budgetary line: Token entry. Remarks: ex-Item 3338			X	
Prov. approps. (Ch. 100)	88	+ 1,500,000 Add. to remarks			X	
Phasing out of nuclear installations	82	New budget line: Item 3359. Token entry Remarks: ex-Item 3339			X	
Primary raw materials. Item 3361	309	+ 2,000,000 Approps. blocked	+ 7,895,800		X	
Long-term forecasts & assessments. Item 3362	304	+ 532,600 Remarks change	+ 179,400		X	

SUMMARY TABLE FOR THE SECOND READING OF THE COMMUNITY BUDGET

<u>Expenditure</u>		<u>Parliament's Amendments</u>		<u>Council's Position</u>		
<u>Budgetary Line</u>	<u>No.</u>	<u>Payment</u>	<u>Commitment</u>	<u>Accepts</u>	<u>Rejects</u>	<u>Modifies</u>
<u>TITLE 3</u>		<u>EUA</u>	<u>EUA</u>			
Reactor safety	228/	New Item 3363			X	
	cor	Add. to remarks				
		Token entry				
Prov. approps.	121/	+ 1,000,000	+ 2,500,000		X	
(Ch.100) for 3353	rev	Add. to remarks				
Uranium ore	310	+ 800,000	Enter		X	
prospecting &		Change remarks	2,846,000			
processing			sub-item			
Item 3364			33645			
Indirect action	311	+ 700,700	Enter			X
misc.activities		Remarks change	340,200			
& coordinated			sub-item			
projects (Ar.337)			33715			
Hlth protection	83	+ 325,000		X		
hygiene & safety						
at work (Ar.352)						
Public Hlth	84	+ 60,000		X		
studies & measures						
(Ar. 353)						
Commun.environ-	85/	+ 50,000		X		
mental protection	cor					
(Ar. 354)						
Consumer protec-	86/	+ 70,000		X		
tion & informa-	cor					
tion (Ar.355)						
do.	87/	New Item 3552		X		
	rev	+ 100,000				
	cor	Add to remarks				
Eur.Foundation	278	Add. to remarks:			X	
for Improvement		"three-quarters				
Living & Wrking		of appropriations				
Conditions		blocked."				
(Ar. 359)						

SUMMARY TABLE FOR THE SECOND READING OF THE COMMUNITY BUDGET

Expenditure

Budgetary Line	No.	Parliament's Amendments		Council's Position		
		Payment	Commitment	Accepts	Rejects	Modifies
<u>TITLE 3</u>		<u>EUA</u>	<u>EUA</u>			
Document.research scient.& tech. inform.& documen- tation (Ar.362)	46/ rev/ cor	No net increase	+ 300,000 Add. to remarks		X	
Expend. on scien- tific & tech. in- form. mgement (Item 3621)	119/ rev III	+ 200,000	+ 375,000 Amend remarks	X		
Data processing projects (Item 3701)	3 rev.	+ 1,700,000	2,920,000 Amend remarks	X		
Prov.approps. (Ch. 100) for Item 3702	7 rev. cor	+ 1,000,000 Add. to remarks	3,000,000		X	
Data processing projects (It.3703)	5/ cor	New Item 3703 Add. to remarks Token entry			X	
Prov. approps (Ch.100)for Item 3710	8 rev	Enter 11,070,000 Add.to remarks	28,720,000		X	
Operations in aerospace sector Item 3711	6/ cor	Token entry Add. to remarks			X	
Transport infra- struct.projects; financial opera- tions (Ar.373)	279	+ 1,000,000 Add. to remarks			X	
Crises in certain indust. sectors (Ar. 375)	281	New Items 3750 & 3751			X	
do.	280	Enter 3,000,000	15,000,000		X	
do.	282	No net increase			X	

SUMMARY TABLE FOR THE SECOND READING OF THE COMMUNITY BUDGET

<u>Expenditure</u>		<u>Parliament's Amendments</u>		<u>Council's Position</u>		
<u>Budgetary Line</u>	<u>No.</u>	<u>Payment</u>	<u>Commitment</u>	<u>Accepts</u>	<u>Rejects</u>	<u>Modifies</u>
<u>TITLE 3</u>		<u>EUA</u>				
Technol. & Indus. Research projects (Ar.390)	283	Enter 5,000,000 Appropriations blocked			X	
Educational measures (Ar. 392)	131 cor	500,000		X		
Cultural action expend. (Ar.393)	80 cor	+ 80,000		X		
<u>TITLE 4</u>						
Repayments & aids to Member States & misc.	286	Amend hdg of Ch. 42 : "Community lending" Add. to remarks			X	
Community loans	294	New Ch. 43 Insert token entry Add. to remarks			X	
MCAs	289	New Chap. 43 New Art. 430			X	
do	287	New Ch. 44 New Ar. 440 & 441 New Items 4400, 4401, 4402, 4410, 4411, with accompanying approps. <u>Delete</u> Arts 780 & 781; Items 7800, 7801, 7802, 7810, 7811 with relevant approps			X	
Conversion rates	288	New lines with relevant approps: Ch. 45, Art. 450. Add to remarks: Delete Art. 790 & relevant approp.			X	

SUMMARY TABLE FOR THE SECOND READING OF THE COMMUNITY BUDGET

<u>Expenditure</u>		<u>Parliament's Amendments</u>		<u>Council's Position</u>		
<u>Budgetary Line</u>	<u>No.</u>	<u>Payment</u>	<u>Commitment</u>	<u>Accepts</u>	<u>Rejects</u>	<u>Modifies</u>
<u>TITLE 4</u>		<u>EUA</u>	<u>EUA</u>			
Contrib. to start- ing capital of EEB (Art.490)	10/ cor	Make token entry Add. to remarks		X		
EEC Guarantee for EEB's borrow- ings (Ar.491)	291	Insert token entry Add.to remarks		X		
Subsidy for bal- ancing budget of EEB (Art.492)	292	Insert token entry Add. to remarks		X		
Int.relief grants on loans made by EEB (Art. 493)	293	Insert token entry Add. to remarks		X		
EEB (Ch.49)	305	New Art. 494 Make token entry Add. to remarks			X	
<u>TITLE 5</u>						
Aid to agric. & textile sectors (Art. 500)	132	+ 13,000,000		X		
Measures for young people (Ar. 501)	133	+ 30,000,000		X		
Measures for hand- icapped persons (Art. 502)	134	+ 3,000,000		X		
Measures for mi- grant workers (Art. 503)	135	+ 5,000,000 Add to remarks		X		

SUMMARY TABLE FOR THE SECOND READING OF THE COMMUNITY BUDGET

Expenditure

Budgetary Line	No.	<u>Parliament's Amendments</u>		<u>Council's Position</u>		
		Payment	Commitment	Accepts	Rejects	Modifies
		<u>EUA</u>	<u>EUA</u>			
<u>TITLE 5</u>						
Measures to improve employment sit.in certain regions, etc. (Art. 510)	137/ ccr	+ 68,500,000 Amend remarks		X		
Measures for handicapped ineligible for aid under Art.4 (Art. 511)	138/ cor	+ 10,500,000	19,500,000 Add. to remrks	X		
Social Fund - Pilot schemes & prep. studies (Art. 520)	139	+ 300,000 Amend remarks		X		
Reg. & Soc.Funds	140/ cor	New Chap.53 New Art. 530 Token Entry Add to Remarks		X		
Eur. Reg. Devel. Fund (Ch. 55)	12/ rev	+ 135,000,000	+ 352,000,000 Add to remarks		X	
Aid to disaster victims in Community (Ch. 59)	295	+ 5,000,000			X	
<u>TITLE 9</u>						
Cooperation with developing countries & non-Mem. States (Chs 90 & 91)	296	Add. to remarks			X	
do.	298	New Ch. 90 New Art. 900 New Item 9001 + 30,000,000 Add. to remarks			X	

SUMMARY TABLE FOR THE SECOND READING OF THE COMMUNITY BUDGET

Expenditure

Budgetary Line	No.	Parliament's Amendments		Council's Position		
		Payment	Commitment	Accepts	Rejects	Modifies
		<u>EUA</u>	<u>EUA</u>			
<u>TITLE 9</u>						
Cooperation with ACP states linked by Lomé Conventn. (Ch. 90)	297	New Art. 909 Delete Art. 943 & Item 9430 No net increase Add. to remarks			X	
Financ. cooperation with non-assoc. developing countries (Art. 930)	15/ rev/ cor	+ 2,000,000 Add. to remarks	+ 80,000,000			X
Promotion of trade bet. Commun. & non-assoc. devel. countries (Art. 931)	21/ rev/ cor	+ 1,000,000 Add to remarks	+ 6,000,000			X
Training of non-assoc. devel. country nationals (Art. 941)	22/ cor	+ 50,000		X		
Spec. measures for cooperation with devel. countries (Ch. 94)	299	New heading Art. 943 Delete Item 9431; Add to Rems No net increase				X
Commun. contribs. to NGOs (Art. 945)	326	+ 1,500,000 Add to remarks	+ 12,000,000			X
<u>TITLE 10</u>						
Legislative part of budget	303	New text after Section III - Commission			X	
<u>TOTAL</u>		<u>393,243,600</u>	<u>630,146,400</u>			

NOTE: The sums shown on these tables are net, i.e. account being taken of compensating amounts

APPENDIX 6Modifications

<u>Heading</u>	<u>No.</u>	<u>Effect</u>	<u>Council position</u>
Titles 6 & 7	PDM 64/rev.II	Insert comment	Rejected
Item 8200	PDM 68/corr.	Modify footnote	Rejected
New Item 8303	PDM 155	Token entry for fishery zone protection	Accepted
New Item 9202	PDM 322	Transfer cereal refunds from Item 6001	Rejected
New Item 9213	PDM 323	Transfer dairy products refunds from Item 6201	Rejected
New Item 9222	PDM 324	Transfer sugar refunds from Item 6401	Rejected
Item 8104	PDM 312	Insert commitment appropriations of 5m EUA (forestry action and improvement of agricultural structures	Rejected
Item 8105	PDM 63/rev.	Insert 4m EUA in commitments and 4m EUA in payments (young farmers)	Rejected
Item 8302	PDM 313	Transfer from Ch. 100 5m EUA in payments and 5m EUA in commitments (fishery sector)	Rejected
Item 9201	PDM 19/rev./corr.	Insert 124,725,000 EUA in commitments and increase payments by 16,590,000 (cereals for developing countries)	Rejected
Item 9211	PDM 314	Insert 252,400,000 EUA in commitments and 189,300,000 EUA in payments (skimmed milk powder)	Rejected

At its meeting of 5 and 6 December 1977
the Committee on Budgets decided to
give its support to the following amendments,
on an indicative basis.

The Committee on Budgets confirmed these
amendments at its meeting of
12 December 1977, by 19 votes in favour
and 5 against

RECAPITULATIVE TABLE FOR THE SECOND READING OF THE COMMUNITY BUDGET

Budgetary Line	No. of amendment adopted at 1st reading	Amend-ment No.	Subject	Change from draft budget modified at the 2nd reading by Council on 22.11.77		New position of the Committee on Budgets
				Payments	Commitments	
<u>RFVENUE</u>						
Art. 941	241	19	Euratom borrowings	Token entry		Budgetary context for borrowings adopted by 11 votes unanimously but new Committee on Budgets amendment to change remarks
Art. 942	240	20	Community borrowings	Token entry		Budgetary context for borrowings adopted by 11 votes unanimously but new Committee on Budgets amendment to change remarks
Art. 943	242	25	Borrowings for investment	Token entry		Unanimously adopted by Budgets Committee with 12 votes
<u>EXPENDITURE - SECTION III - COMMISSION</u>						
STAFF	246/rev	26	Deletion of 20 language posts	- 537,300	- 537,300	Adopted by Budgets Committee by 9 votes for, 0 against and 1 abstention
	247/rev	27	Add 115 posts	+ 2,205,600	+ 2,205,600	Adopted by Budgets Committee by 9 votes for, 0 against and 1 abstention
	248/rev	28	Transformations	+ 108,900	+ 108,900	Adopted unanimously with 11 votes
<u>TITLE 2</u>						
Art. 210	325	29	Rent - external offices	Frozen		Adopted by 11 votes for, 8 against and 0 abstentions
Art. 266	301	30	Regional studies, Irish border	Frozen		Adopted by 11 votes for, 4 against and 4 abstentions
Item 2729	271	31	Direct Elections, information	Frozen		Adopted by 17 votes for and 1 against

RECAPITULATIVE TABLE FOR THE SECOND READING OF THE COMMUNITY BUDGET

Budgetary Line	No. of amendment adopted at 1st reading	Amendment No.	Subject	Change from draft budget modified at the 2nd reading by Council on 22.11.77		New position of the Committee on Budgets
				Payments	Commitments	
<u>TITLE 3</u>						
Art. 307	142	65	European Trade Union Institute	+ 500,000 transferred from Chapter 100		Adopted and transformed into an amendment. A proposal from the Chairman transferring appropriations to the line (Art. 307) for trade union institute Decision made by 7 votes to 6
Art. 316	149/rev	32	Centre for professional training for farmers	+ 81.100	+ 81,100	Adopted unanimously by 16 votes
Art. 321	93/rev	33	Uranium prospecting	+ 4,400,000	+ 11,500,000	Adopted unanimously by 16 votes
Art. 322	95/rev/II	34	Aids for coal stocks	Token entry		Adopted by 14 votes for, 2 against
Art. 323	96/rev	35	Use of coal in power stations	+ 8,000,000	+ 25,000,000	Adopted unanimously by 13 votes
Item 3240	98/rev	6 & 23	Energy savings	+ 4,000,000	+ 5,000,000	Favourable opinion by 6 to 1 with 4 abstentions but new Committee on Budgets amendment to take account of Council deliberations of 22 November
Item 3241	100/rev	36	Gasification & liquefaction of coal	+ 3,000,000	+ 8,000,000	Adopted unanimously by 14 votes
Item 3242	102/rev	24	Geothermal resources	+ 2,000,000	+ 7,000,000	Favourable opinion by 10 votes for, 0 against and 1 abstention but new Committee on Budgets amendment to take in-account deliberations of Council of 22 November

RECAPITULATIVE TABLE FOR THE SECOND READING OF THE COMMUNITY BUDGET

Budgetary Line	No. of amendment adopted at 1st reading	Amendment No.	Subject	Change from draft budget modified at the 2nd reading by Council on 22/11/77		New position of the Committee on Budgets
				Payments	Commitments	
Art. 325	104 - 33/rev	7	Constitution of nuclear stocks	Token Entry (New Art.)		Favourable opinion by 12 votes
Art. 329 Item 3291	266	8/rev	Euratom loans	Token entry: Budgetary framework for loan operations		Favourable opinion unanimously with 12 votes but new Budgets Committee amendment to adapt remarks
Item 3333	308	39	Physical protection measures for J.R.G.	(+ 4,455,000) Transferred from	(- 1,050,000) Chapter 100	Adopted unanimously by 14 votes
Chapter 100	88	40	Irradiated fuel reprocessing & phasing out of nuclear installations	+ 1,500,000	+ 1,500,000	Adopted unanimously by 14 votes and favourable vote for 2 amendments creating lines 3358 & 3359
Item 3358	81	37		Token entry		
Item 3359	82	38		Token entry		
Item 3361	309	41	Primary raw materials	+ 2,000,000	+ 7,595,800	Adopted unanimously by 16 votes
Item 3362	304	42	Long-term forecasting	+ 532,600	+ 179,400	Unanimously adopted by 17 votes
Item 3363	121/rev	43	Light water reactors	Token Entry		Unanimously adopted by 16 votes
Item 3364	310	44	Uranium exploration	+ 800,000	+ 2,846,000	Unanimously adopted by 17 votes

RECAPITULATIVE TABLE FOR THE SECOND READING OF THE COMMUNITY BUDGET

Budgetary Line	No. of amendment adopted at 1st reading	Amendment No.	Subject	Change from draft budget modified at the 2nd reading by Council on 22/11/77		New position of the Committee on Budgets
				Payments	Commitments	
Item 3620	46/rev/corr	45	Documentary research	(1,750,000)	+ 300,000	Unanimously adopted by 17 votes
Item 3703	50	11	Highly integrated circuits	Token Entry (New Item)		Favourable opinion by 17 votes (unanimous)
Chapter 100 (3710)	8/rev	46	Aerospace research	+ 3,070,000	+ 20,720,000	Unanimously adopted by 17 votes
Item 3711	6	47	Aids to aerospace industry	Token Entry		Unanimously adopted by 16 votes
Chapter 100 (373)	279	48	Transport infrastructure	+ 1,000,000	+ 1,000,000	Unanimously adopted by 16 votes
Art. 375	281	49	Creation of items; aids to industrial sectors			Unanimously adopted by 14 votes
Item 3750	280	50	Indust. sectors in crisis - loan interest rebates	+ 3,000,000	+ 15,000,000	Unanimously adopted by 14 votes
Item 3751	282	51	Indust. sectors in crisis - investment premiums	(15,000,000) (compensation)		Unanimously adopted by 14 votes

RECAPITULATIVE TABLE FOR THE SECOND READING OF THE COMMUNITY BUDGET

Budgetary Line	No. of amend- ment adopted at 1st reading	Amend- ment No.	Subject	Change from draft budget modified at the 2nd reading by Council on 22/11/77		New position of the Committee on Budgets
				Payments	Commitments	
Chapter 100 (390)	283	52	Technological research	+ 2,000,000	+ 2,000,000	Adopted unanimously with 13 votes for 2m EUA
<u>TITLE 4</u>						
Chapter 42	12	22	Community loans	Token Entry: bud- getary framework for loan opera- tions		Adopted unanimously by 13 votes but new Committee on Budgets amendment adapting remarks
Chapter 43	294	53	Investment loans	Token Entry		Adopted by 11 votes for and 1 abstention
<u>TITLE 5</u>						
Chapter 55	12/rev	54	Regional Development Fund	+ 135,000,000	+ 352,000,000	Adopted unanimously by 13 votes
Chapter 59	295	55	Aid to disas- ter victims	+ 5,000,000	+ 5,000,000	Adopted unanimously by 13 votes
<u>TITLE 9</u>						
Chapters 90/ 91	296	56	Setting aside of EDF Chap- ters			Adopted unanimously by 13 votes
Item 9001	298	57	Beef exports from ACP countries	Token Entry		Adopted unanimously by 13 votes

RECAPITULATIVE TABLE FOR THE SECOND READING OF THE COMMUNITY BUDGET

Budgetary Line	No. of amendment adopted at 1st reading	Amendment No.	Subject	Change from draft budget modified at the 2nd reading by Council on 22/11/77		New position of the Committee on Budgets
				Payments	Commitments	
Art. 909	297	58	ACP delegations	Token Entry		Favourable unanimously with 13 votes for a token entry
Art. 930	15/rev	59	Aid to the non-associated developing countries	+ 8,000,000	+ 20,000,000	Favourable opinion with 14 votes for 8m EUA payments and 20m EUA commitments
Art. 945	326	60	Aid through non-governmental organisations	+ 2,000,000	+ 6,000,000	Adopted by 9 votes for, 4 against and 1 abstention
<u>LEGISLATIVE PART OF THE BUDGET</u>						
	303	61	Decision on commitments			Adopted unanimously by 14 votes

MONETARY COMPENSATORY AMOUNTS AND OTHER MONETARY MEASURES

For reasons of budgetary clarity the Committee on Budgets is retabling amendments from the first reading (288,287,289) placing under Title 4 separately the monetary amounts appearing under Title 7 (EAGGF) - decision taken by 13 votes for and 2 against.